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ABSTRACT

This manual is intended to help teachers meet the objectives of the 1985 Alberta, Canada, Accounting 10-20-30 curriculum. The manual is organized in nine sections. The first section introduces the curriculum and lists the course objectives, and the following section provides a flowchart of the accounting modules. Information on planning the course, selecting modules for accounting, and student evaluation are provided in the next three sections. The sixth and seventh sections provide an introduction to teaching strategies and a sample daily lesson plan. Strategies for teaching the 13 modules of the course are presented in the eighth section, which makes up the bulk of the document. For each subtopic of the modules, suggestions are made for time, teaching methods, and evaluation. The 13 modules cover the following areas: basic accounting concepts, journalizing and posting, completing the accounting cycle, merchandise accounting, end-of-year adjustments and eight-column worksheets, optional accounting tasks, voucher system and end-of-year adjustments, departmentalized accounting tasks, partnership and corporation accounting, cost accounting, financial analysis, accounting simulation, and computerized accounting. A list of suggested learning resources comprises the final section of the manual. (KC)

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Senior High School

TEACHER RESOURCE MANUAL

Accounting 10-20-30

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ACCOUNTING 10-20-30
TEACHER'S MANUAL

1987

ALBERTA EDUCATION

FOREWORD

The Accounting Teacher's Manual is published for use by beginning, as well as experienced teachers in Alberta schools. It contains practical information about planning the course, selecting modules from 3- and/or 5-credit courses, program objectives, and teaching strategies. Teachers are urged to review the suggestions made in the manual. Although the recommendations made are not prescriptive, they do parallel the topics contained in the program of studies which are prescriptive.

In addition to the presentation of basic teaching strategies, suggestions are also made about the time (in hours) which should normally be devoted to a particular topic.

Since three textbook series and a variety of support resources in the form of recommended texts, workbooks, manuals and software are approved by the department, it is important for the teacher to ensure that there is a close correlation between the topics in the curriculum guide and the particular resources being used. This manual is written in such a way as to provide assistance in this regard.

Teachers must be aware that this manual is to be used as a guide and that the order of presentation by various publishers' texts regarding modular content will differ.

ACKNOWLEDGEMENTS

Sharon Flenady and Betty Leadbeater of McNally Composite High School in Edmonton prepared this manual for Alberta Education. Their many years of successful teaching experiences in accounting have been applied in the preparation of this manual. The work of the Accounting Ad Hoc Committee, the Business Education Learning Resources Committee and the Business Education Curriculum Coordinating Committee is also acknowledged.

The preparation of this document was supervised by A.A. (Scotty) Day and Garry Popowich, Associate Directors of the Curriculum Branch, and coordinated by Steven Kashuba of the Edmonton Regional Office of Alberta Education and Sharon Prather of the Curriculum Branch.

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This is a service document, which is not mandatory in any way. It provides suggestions that are based on the practices of successful and experienced business educators in Alberta. Since no document of this type can address each of the unique situations that will arise, teachers should use only suggestions that are appropriate in their educational environments.

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ACCOUNTING 10-20-30

Introduction

The accounting program provides an opportunity for all students to develop an understanding of basic accounting concepts and procedures. At the introductory level the students will learn the mechanics of the accounting cycle. Advanced study will enhance the basic skills and provide competencies that prepare the student for employment or further study beyond high school. Students will study the accounting cycle of a small business and expand their knowledge to include specialized areas within accounting.

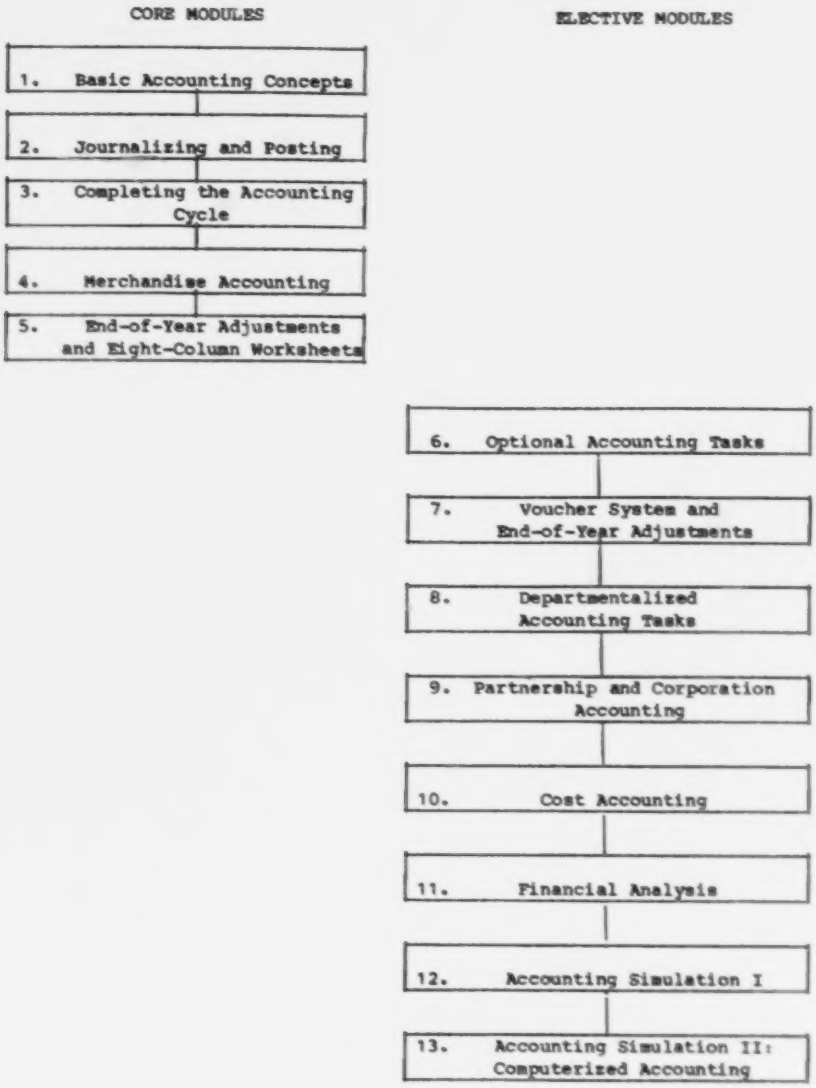
Computers reflect present practices within accounting offices, enhance employment opportunities, and allow students more opportunity to analyze and interpret financial documents. As a result, the use of computers is recommended in the accounting strand.

Objectives

The student will:

1. Learn how the financial position of an individual business is determined.
2. Accurately journalize the various daily transactions.
3. Understand the importance of maintaining accurate accounting records.
4. Be able to use relevant terminology appropriately.
5. Complete financial documents accurately and neatly.
6. Use the computer in performing accounting functions.
7. Develop decision-making skills in the preparation, analysis, and interpretation of financial statements.
8. Develop a basic understanding of accounting procedures applicable to single proprietorships, partnerships and corporations.
9. Demonstrate a knowledge of acceptable cost accounting procedures.
10. Investigate careers in the field of accounting.

FLOWCHART FOR MODULES: ACCOUNTING



Notes on Course Implementation

The accounting subject strand is composed of 13 modules, 5 of which are core and 8 are elective. The core modules are prerequisite to the elective modules. Modules 1 to 5 are sequential. The elective modules are not sequential.

Courses of 3 or 5 credits may be developed in Accounting 10 and 20 by selecting 3 or 5 modules.

Accounting 30 may only be offered for 5 credits. Students must have access to computers and suitable software, particularly in the 20- or 30-level courses. Printing calculators should also be available.

Refer to individual modules for further information regarding equipment requirement or prerequisites.

The integration of the work study component of the work experience (cooperative education) program is encouraged.

PLANNING THE COURSE

The Accounting 10-20-30 subject strand has been designed to:

a) Introduce students to financial principles and practices important to both personal and business life.

b) Promote the development of clerical and bookkeeping skills sufficient for entry level positions.

c) Provide an introduction to accounting concepts and procedures studied at the post-secondary level.

Accounting 10 is the introductory course in accounting.

Accounting 20 is an extension of the material studied in Accounting 10, and is focused on the practice of principles relating to synoptic and special journal transactions.

Accounting 30 expands the accounting practices studied in Accounting 10 and 20, and applies the principles to the partnership and company forms of business organizations.

Courses of 3 or 5 credits may be developed in Accounting 10 and 20 by selecting 3 or 5 modules. Accounting 30 can only be offered for 5 credits.

Students must have access to computers and suitable software at the 20 and 30 levels. Printing calculators should also be available.

Refer to individual modules for further information regarding equipment requirements or prerequisites.

An integration of work study and work experience (cooperative education) is encouraged.

It should be noted that a traditional 3-credit course is designed to last 75 hours. However, if a school offers an Accounting 10-20 6-credit, semestered course then a reduced number of hours (62.5 hours) must be taken into consideration when planning your courses. All theory must be covered; however, the amount of drill and practise in some areas may be reduced.

SELECTING MODULES FOR ACCOUNTING

Accounting 10 - 3 or 5 credits
Accounting 20 - 3 or 5 credits
Accounting 30 - 5 credits

Accounting 10	Accounting 20	Accounting 30
Alternative #1		
(3 credits)	(3 credits)	(5 credits)
Module 1	Module 4	Module 7
2	5	9
3	6	11
		12
		13

Alternative #2		
(5 credits)	(3 credits)	(5 credits)
Module 1	Module 6	Module 9
2	7	10
3	8	11
4		12
5		13

Alternative #3		
(3 credits)	(5 credits)	(5 credits)
Module 1	Module 4	Module 9
2	5	10
3	6	11
	7	12
	8	13

STUDENT EVALUATION

Student evaluation in accounting should be based upon the objectives stated in the curriculum guide. Introductory accounting is highly sequential and requires frequent and periodic testing for each concept in sequence. Students should be examined for their understanding of concepts previously and currently studied so that the relationship and purpose between concepts are understood. Tests are provided in the Teachers' Guides available for each text. It is suggested that major tests be given at the end of each 25-hour module, while quizzes should be given more frequently to test both practical and theoretical material.

SUGGESTED EVALUATION PLANS

Plan 1

Midterm Mark

Unit tests	80%
Homework, quizzes, projects	20%
	100%

Final Mark

All unit tests	60%
Homework, quizzes, projects	20%
Final examination	20%
	100%

Plan 2

Midterm Mark

Homework & class assignments	30%
Projects/tests, quizzes	70%
	100%

Second Reporting Mark

Homework & class assignments	30%
Projects/tests, quizzes	70%
	100%

Final Mark

Midterm mark	30%
Second reporting mark	50%
Final examination	20%
	100%

INTRODUCTION TO TEACHING STRATEGIES

It is recommended, and assumed in this presentation, that the Teacher's Reference Guide for the particular textbook series is available to the teacher. The Teacher's Reference Guide provides: behavioral goals; teaching suggestions; answers to vocabulary, questions, and cases for all chapters; masters and key for problem tests, and other helpful information. In addition there is a teacher's key for the workbook.

It would be helpful to teachers to use the workbooks which accompany the textbooks. The student workbooks provide stationery for all drills, and appropriately ruled accounting forms for completing all the problems. An alternative to using the workbooks would be to provide the students with a package of accounting forms at the beginning of the course.

Even though objective tests are available from the publisher, it is recommended that teachers prepare tests which examine the behavior goals associated with each module. Simulation packages are available from publishing houses and will be addressed in detail later on for suitability of accounting principles.

In the presentation of the modules which follows, it is assumed that the teacher will make use of the activities which are set out at the end of each chapter in the textbook as well as development of applicable materials by the teacher.

The teaching strategies set out on the following pages are suggestions to teachers for expanding upon what is set out in the text, and to alert the teacher to concepts which may be difficult for some students. The activities suggested will provide variety and enrichment for the course.

Computer Integration (Module 13)

The computerized accounting module may be used in two ways:

1. As a 25-hour block of time during which students can become proficient in the use of one or perhaps two applications of computer software. The use here could be related to individual applications of theory, or a teacher-developed project encompassing a larger spectrum. Also, this may be beneficial to teachers who have access to multipurpose rooms only, with related timetabling.

2. Integrate software into the course spanning the computer software and applications over the length of the course. This works well if classes have free access to computers on a daily basis.

SAMPLE DAILY LESSON PLAN

Module 1 - Basic Accounting Concepts

Specific Topic - Balance Sheet

Time: 60 minutes

Objectives: The student will be able to:

a) define assets, liabilities and capital
b) understand the purpose and function of a balance sheet
c) calculate the financial worth of an individual or business
d) prepare a balance sheet using the correct format from data.

Elements of Lesson

Category	Time	Strategies	Student Activities
Introduction	5 min.	Review previous day's theory, briefly emphasizing the use of accounting records to determine how much a person is worth.	Observe Question and answer
Development	10 min.	Develop the concepts of financial worth by picking one or two students in class and determining their worth.	Observe Question and answer Take notes Explain Board or overhead
	10 min.	Explain accounting equation and mathematics involved.	
	15 min.	Review parts of a balance sheet and format a sample problem related to the students' information.	Have students work with teacher, on a form provided

Category	Time	Strategies	Student Activities
Evaluation	15 min.	Have students prepare a balance sheet from unarranged data and use the overhead to demonstrate the correct form.	Prepare balance sheet form Question and answer Observe
Closure	5 min.	Quick overview of what was discussed today and what will be covered next class.	Observe Question and answer

Materials:

1. Chalkboard
2. Overhead transparencies of a balance sheet
3. Handout of a balance sheet problem and balance sheet forms.

MODULE 1: BASIC ACCOUNTING CONCEPTS

Status: Core
Prerequisite: None

Purpose: To provide the student with the opportunity to learn how the financial position of a business firm is determined and how the various daily business transactions affect the accounting records.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Terminology		Accounting terms should be defined and related to the concepts as discussed throughout the chapters. Texts generally highlight the words which are defined. All teachers' manuals that accompany the approved texts have masters that teachers can reproduce and use to introduce an idea. Invite a guest speaker to explain the purpose of accounting in business today and to explore career potential in business.	Theory - 40% Quiz: - definition and terms - matching - short answer - case studies - mathematical (A = L+C)
Purposes of Financial Records	2	Discuss reasons for personal, business, financial, and accounting records. Textbooks, newspapers, business journals and magazines contain information on this concept. Lead students to see that records and reports provide information regarding the success or failure of a business. Use examples related to students: personal records, family records, school clubs, business (farm, corner grocery store, corporation), and non-profit organizations (church, Canadian Cancer Society, provincial government). Emphasize the importance of what they will learn in the course for personal interest and business use. Stress GAAP (Generally Accepted Accounting Principles). Discuss changes which have taken place in the handling of data (manual to automated), but that basic accounting principles are the same. Mention that automated handling of data will take place at a more senior level of accounting. Generate interest and discussion in using case material.	Practical - 60% - problem solving - in-class project Quizzes: - balance sheet - T accounts - journalizing
Balance Sheet	3	Emphasize how accounting records are used to determine how much a person is worth financially. Determine the financial worth of a fictitious student by adding up all the items which the student owns and subtracting what he owes. The teacher writes on the chalkboard information gathered during students' brainstorming session. Develop with the students a simple basic accounting formula OWNS - OWES = Net Financial Worth of an Individual. As an additional exercise, have each student calculate his or her own net financial worth.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Discuss with the students the information required to start an accounting system, statement of financial worth: - what the business owns, - what the business owes, and - what the financial worth of the business is. Write the basic accounting equation on the chalkboard or refer to the equation OWNS - OWES = NET FINANCIAL WORTH during discussion of assets, liabilities, and owner's equity. Have the students list assets they own. Explain, using examples, that the terms debts and liabilities mean essentially the same thing, but business people and accountants use the term liabilities. Explain that owner's equity is the claim of the owner against the assets. Explain the relationship of the terms ownership, proprietorship, capital, net worth, and owner's equity. The terms "Accounts Receivable" and "Accounts Payable" are introduced in Syme and Kaluza in this module. Assets are listed in order of Liquidity, and Disclosure is also introduced. Through questioning and discussion develop the basic equation: Assets = Liabilities + Owner's Equity. Through the use of flash cards, drill the students on the classification of assets and liabilities. Have the students complete various exercises in which they calculate the value of total assets, total liabilities and the owner's equity using the accounting equation. It is important that students understand rather than memorize the concepts involved in using the fundamental accounting equation. Give the students simple problems to solve mentally. Have them solve the more difficult problems in written format. Emphasize the concept that generally the first step in beginning an accounting system of any kind is to prepare a beginning balance sheet. Have the students analyze balance sheets from overhead transparencies, charts, and textbook illustrations. Use the T-account form of the balance sheet to stress the equilibrium principle fundamental to all forms of accounting. The use of a balance scale illustration may help in this concept. Demonstrate, step-by-step, on the chalkboard and/or transparency, the correct format of the balance sheet. Have the students follow the demonstration by completing a correct and neat format of the balance sheet on accounting paper.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Emphasize that the two sides of the sheet are in balance, hence the name Balance Sheet. Illustrate the relationship between the fundamental accounting equation and the balance sheet.	
Opening Entry	4	Stress that information about transactions which affect assets, liabilities, and owner's equity is obtained from source documents. Discuss the function of source documents: - to initiate the accounting cycle, - to provide the accountant with information needed for making accounting entries, - to act as a basic proof if records are questioned, and - to provide additional information not recorded in accounting records. Have the students provide examples of source documents: opening balance sheet, receipts, cheques, invoices, and memorandums. Explain why business transactions should be recorded in a journal: - the need for a chronological record of business transactions, - the need for more complete information, - the need for an effective means of locating errors, and - the need for a system to provide evidence of the transactions in the event that source documents are lost. Explain the nature of the opening entry and the necessity of transferring the information from the beginning balance sheet to the general journal. Demonstrate the preparation of the opening entry and have the students prepare opening entries.	
Posting	4	Explain and discuss the purposes of the ledger: - to sort the journal entries into accounts, - to summarize the effect of transactions on accounts, - to show in one place the total amount of each account, and - to supply account balances to prepare an up-to-date balance sheet and income statement. Explain and discuss the chart of accounts while demonstrating how to prepare one: - outlines the order of accounts in the ledger, - accounts are arranged in the same order as they appear on financial reports to make them easy to locate, and - serves as a guide to journalizing by identifying the account titles to be used when recording business transactions.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Emphasize that the systems for numbering accounts vary with the number of accounts and the type of business. Demonstrate the steps in the posting procedure. Use the chalkboard and/or transparency to demonstrate the posting procedure. Have the students complete the same procedure in journals and ledger accounts. Stress the importance of neat and accurate work. Emphasize the importance of cross-referencing.	
Analyzing Transaction	5	Using the balance sheet and the fundamental accounting equation, point out that the assets, liabilities, and owner's equity each have a "natural" side--the left (debit) side for assets and the right (credit) side for liabilities and owner's equity. Prepare a rules chart for debits and credits: - increase any account by recording the amount of the change on the natural side for the particular item, - decrease any account by recording the amount of the change opposite the natural side for the particular item. Use T-accounts to illustrate the concepts and procedures of recording changes that affect assets, liability and owner's equity accounts. Have the students analyze transactions and identify the accounts to be debited and credited. Explain the relationship of the revenue and expense accounts and how changes affect the capital account. Explain the principles of debit and credit to the income statement accounts. Drill students on analyzing changes which take place in revenue and expense accounts. Syme and Kaluza introduce a transaction analysis sheet to demonstrate increases and decreases of accounts. Discussion also revolves around the term of "double entry system of accounting". The concept of a Trial Balance is also covered. Take a trial balance on an adding machine.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Stress that if the trial balance is in balance, it proves only that the total debits in the ledger equal total credits in the ledger. Make students aware on an adding machine that the final balance is zero in order for the trial balance to be in balance.	
Introductory Journalizing	6	Have students journalize each transaction in relation to source documents, the accounting equation and the ledger. Have the students record the entries on a general journal form. Explain the step-by-step procedure and sequence of recording entries in the general journal. Emphasize that when one account is debited for an amount, some other account(s) is credited for the same amount so that in all journal entries total debits must equal total credits. Use written and oral drills to strengthen the concepts of journalizing. Teachers could use the following aids in the presentation of content in these modules: - chalkboard, - overhead transparencies, - flash cards, - bulletin board displays, - posters, - wall charts, - filmstrips, - video.	

MODULE 2: JOURNALIZING AND POSTING

Status: Core
Prerequisite: Module 1

Purpose: To examine a broader view of the accounting cycle including the preparation of a worksheet.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Note: Because of the different approaches of the various texts, some of the topics in Module 2 may already have been covered in depth in Module 1. It is more advantageous to follow the textbook presentation rather than to extract parts of chapters and thus fragment the text and disrupt the continuity in the presentation. This text presents the financial statements before the worksheet. The expanded ledger is encountered in Chapter 8 and therefore must be covered before attempting the worksheet which is in Chapter 9. In the module structure, the worksheet is presented as part of Module 2 and the financial statements as part of Module 3. Changing the order of the topics in Modules 2 and 3 will not present any serious problem as ALL topics will be covered by the end of Module 3, and maintaining continuity of presentation is more important.	Theory Tests - 30% - multiple choice - fill-in blank - matching - case study analysis Practical Tests - 70% Quizzes: - journalizing and posting and trial balance - worksheet
Terminology	1	Use flash cards or a bingo game to review terms previously used. New terms should be dealt with during the presentation of each chapter.	
Journalizing	4	Review the purposes of a general journal. Review and discuss the relationship of source documents to the general journal entries. Kaluza stresses the "objectivity principle" to prove that a business transaction did occur. Further, Kaluza introduces sales taxes related to transactions. Have the students journalize a series of transactions in relation to source documents, the accounting equation, and the ledger. Have a variety of full-size journals available. These may include cash journals and special journals. Relate the needs of business to the different types of journals used. Discuss the advantages of cash journals and special journals used in business. Record several entries on a journal form, on the chalkboard or on an overhead transparency. Have the students record neatly the same entries on journal forms provided. Stress the correct procedure and sequence in recording entries.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Demonstrate the procedures used for checking the accuracy and the equality of debit and credit columns in the journal. Illustrate and discuss the use of footings. Stress the importance of this procedure in proving debits and credits before permitting the student to proceed to the next step in the Accounting Cycle. Explain the two methods in proving debits and credits. Indicate the zero balance method or total all debit amounts and credit amounts.	
Posting	5	Review the various types of accounts in the ledger and the purposes of these accounts. Demonstrate the step-by-step posting procedure on the chalkboard and/or transparency (i.e., journal on the chalkboard and ledger accounts on the transparency). Have the students complete the same procedure in journals and ledger accounts on the appropriate account forms. Emphasize the importance of cross-referencing. Have students journalize and post on the board to ensure if Post Reference columns are being used correctly. Demonstrate and discuss the steps and reasons for calculating balances for ledger accounts. Have the students complete the calculations. Emphasize the purpose of pencil footings. Indicate the use of a sharp pencil for footings. Use calculators to check the mathematical accuracy of ledger account balances. Stress the generally accepted accounting principle: The balance of an account will <u>normally</u> appear on the side of origin, that is, on the same side on which it shows in the accounting equation. Prepare a poster or chart to illustrate the following accounting principle: Class of Account — Type of Final Balance Normally Shown Assets — Debit balance Liabilities — Credit balance Owner's Equity — Credit balance Revenue — Credit balance Expense — Debit balance	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Trial Balance	4	Emphasize the need for determining the accuracy of postings from the journal to the ledger by proving the equality of debits and credits in the ledger. Explain that the procedure for verification of the accuracy of the work in posting from the journal to the ledger is the trial balance--a preliminary or trial adding of all amounts in the ledger to test the equality of all debit entries to all credit entries. Emphasize the logic of the steps used for preparing an accurate trial balance. Point out that a trial balance can be prepared at any time: daily, weekly, or monthly. Demonstrate the preparation of a trial balance from a previously completed ledger. Have the students work along with the teacher at their desks. Use a step-by-step approach. Have the students compare the three items in the heading of the trial balance with the items in the heading of the balance sheet. Remind the students that a single line in accounting indicates that all the amounts above the line are to be totalled. Explain that the trial balance is in balance when the two totals are equal. Explain the use of the double ruling to indicate that the work that is above the double line is complete and correct. Emphasize to the class that when a trial balance is in balance it proves only that the debits in the ledger equal the credits--it does not prove the complete accuracy of the accounting records. Discuss the preparation of a "quick trial balance" using the zero-proof method with a calculator and tape. Discuss sources of errors in posting. Explain methods of identifying and correcting errors in trial balances. Have class work on trial balances containing errors. Review and drill the class on the classification of accounts and the debit and credit nature of account balances.	
Review	2	An appropriate review at this time would be to assign a project which would include all aspects of the accounting cycle to this point in time.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Worksheet	4	List and discuss the functions of the worksheet: - a convenient means of sorting accounts into different account classifications, - a means of calculating the net income (or net loss), and - a source of data for closing entries (temporary Owner's Equity accounts are grouped in the Income Statement columns of the worksheet) are a means for making adjustments. Discuss the reasons for the worksheet: - all the data required for preparing financial statements appear on the worksheet, - it is an organized way of dealing with end-of-cycle entries and reports using logical steps, - it shows the whole picture in one place--the trial balance, the net income, data for the income statement, and data for the balance sheet, - is a working document only and is usually prepared in pencil. Use trial balances prepared in previous problems to prepare six-column worksheets. Review the classification of accounts. During the initial presentation of the worksheet, place the trial balance on a transparency/chalkboard using one colour for asset accounts, another for liability and owner's equity accounts, a third for revenue accounts, and a fourth for expense accounts. The colours help guide the student to the correct classification columns. An overlay is most beneficial in explaining this to students. Develop the first worksheet through a step-by-step class presentation. Have students complete the same worksheet on the form. During the presentation stress the distribution and sorting device features of the worksheet--a convenient analysis paper. Emphasize that the worksheet is a working paper and not a permanent record and may be prepared in pencil. Emphasize a step-by-step approach in preparing the six-column worksheet. Stress the classification of the amounts in the Trial Balance column by extending them into Income Statement and Balance Sheet columns.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Demonstrate the single line rule and additions of columns. Determine and record net income or loss in the appropriate column of the income statement. Explain what columns are affected on the worksheet when a net profit or loss occurs. Show the corresponding entry in the balance sheet section. Rule double lines.	
Review and Test	3	This is an appropriate opportunity to test the students for their understanding and ability to apply the content covered in the accounting course. Be sure to allow time to review and discuss the correct answers.	
	2	The teacher may wish to develop and administer an in-class project to test or examine students' conceptual understanding of the accounting cycles as well as the worksheet.	

MODULE 3: COMPLETING THE ACCOUNTING CYCLE

Status: Core
Prerequisite: Module 2

Purpose: To study the concluding procedures in the accounting cycle, preparing bank reconciliation statements, and replenishing the petty cash fund.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Financial Statements	5	Discuss the overall purpose of financial statements: - provision of financial information about the business to the owners, management, creditors, and government for decision-making. Emphasize the main purpose of each statement: - stress new accounts are used to gather data for preparing the income statement and the equity section of the balance sheet, - introduce students to the concept of the fiscal or accounting time period, - drill students on transactions involving revenue and expenses using the Capital account, - drill students on calculating net income or net loss using figures for revenue and expenses, - stress that revenue, expenses, and drawing accounts are NOMINAL OR TEMPORARY accounts, - the student should understand the need for and the purpose of an income statement and a balance sheet, - stress that the income statement shows the operating results over a period of time, - stress that the balance sheet presents the financial position at a specific date, and - relate the financial statements to the worksheet columns. Refer to worksheets previously prepared for assignments. Instruct the students to accordion-fold the worksheet between each pair of columns. This places the data in the Income Statement columns close to the account titles when preparing the Income Statement. With the use of an overhead transparency, develop the Income Statement through a step-by-step presentation. Have the students prepare the same Income Statement in their books. Stress that all the information needed to prepare the Income Statement is available from the two Income Statement columns of the worksheet. Instruct the student to accordion-fold the worksheet between each pair of columns. This allows the students to place the data in the Balance Sheet columns close to the account titles when preparing the Balance Sheet.	Theory - 30% - fill in the blanks - short answer - case study analysis Practical - 70% - financial statements quiz - closing entries and post-closing trial balance quiz - petty cash quiz - separate examinations - in-class project

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		With the use of an overhead transparency demonstrate the preparation of the Balance Sheet through a step-by-step approach. Have the students prepare the same Balance Sheet forms. Emphasize that all the data required to prepare a Balance Sheet are available from the two Balance Sheet columns of the worksheet. Teach the students to work methodically and accurately by starting at the top of the Balance Sheet columns of the worksheet and by checking off each amount in these columns as it is required for the Balance Sheet. Discuss the following: - information in financial statements assists the owner of the business to make management decisions, - financial statements provide information about the business to persons outside the business, - introduce the Chart of Accounts, - provide exercises to students in which the Final Balance is out of balance, - discuss the sources of errors in the trial balance, and - explain the methods of detecting and correcting errors in the trial balance. If time permits, have students work in pairs and/or groups to analyze and discuss financial statements and to make predictions on the information contained in the financial statements. Provide opportunities for students to share the predictions with the class. NOTE: Students must understand that the revenue and expense accounts are temporary accounts and collect data for one fiscal period only. These temporary accounts are income statement accounts and are closed at the end of the accounting period. The permanent accounts accumulate data from one accounting period to another and remain open. These accounts are the balance sheet accounts and provide a continuous record of the assets, the liabilities, and the capital of the business. Kaluza develops Long-Term Liabilities with Mortgage Payable as an account. In this section Kaluza also describes in detail the interpretation of an Income Statement and Balance Sheet. Various principles are discussed, such as: revenue recognition, expense recognition, matching, objectivity and cost. Specific accounting principles following the CICA handbook are mentioned, too.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Closing Entries	7	Have the students refer to previously completed ledgers and balance sheets. Ask the students to compare the balance of the capital account in the general ledger with the reported final capital balance in the balance sheet, and to note the difference between the recorded amounts. Question the students to determine the reason(s) for the difference. Explain how closing entries will update the balance of the capital account in the general ledger. Emphasize the importance of preparing the ledger for the next accounting period by clearing the revenue accounts and the expense accounts of their balances. Review these concepts: - the reason that the capital account is not used for recording revenue and expense accounts, - the use of revenue and expense accounts to store detailed information, and - the reason that revenue and expense accounts are designed as temporary capital accounts. Review the accounting cycle from opening entries to the preparation of financial statements. Use a ledger, worksheet, and related balance sheet from previously completed assignments. Teach the meaning of a "closed" account by demonstrating when an account is closed and how it is closed by preparing and posting a journal entry. Present the use of the new account Income Summary (Revenue and Expense Summary), showing how this account is used as a "clearing account" and how it summarizes the net income or net loss and thus allows only one net amount to be transferred to capital rather than all the individual balances in the revenue and the expense accounts. Demonstrate and have the students follow the step-by-step demonstration in the closing procedure: - the information for each closing entry being taken from the worksheet, - the closing entry being made in the journal, and - the effect of posting the closing entries to the ledger accounts.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Post-Closing Trial Balance	2	Discuss the need to prepare a post-closing trial balance to determine if the ledger is in balance before the recording of the transactions for the next fiscal period. Refer the students to copies of a closed or ruled ledger. Use a step-by-step approach to prepare the post-closing trial balance. Point out that the accounts appearing on the post-closing trial balance are permanent accounts. Show the students that the accounts and balances listed on the post-closing trial balance are the same as those appearing on the balance sheet. Write on the chalkboard and review the steps in the accounting cycle. Kaluza develops a systems flowchart approach to documentation as well as an in-depth discussion of careers such as a professional accountant, CA, RCA, CGA and various accounting.	
	2	The teacher should develop and administer an in-class project that would test students on the complete accounting cycle. Kaluza discusses petty cash before banking applications and teachers may wish to follow this flow of presentation.	
Basic Banking Services	3	Discuss the importance of the services which banks provide for businesses. Have the students research and share examples of these services. Discuss the principles of using chequing accounts as a part of any business' system for the control of its asset, Cash. Explain the procedure for opening accounts in banks or other financial institutions; preparation of deposits and deposit slips; processing of deposits by financial institutions; procedure for writing cheques and recording information on cheque stubs. Compare a copy of a financial institution's record (monthly statement) with the records of the business (the chequebook and the ledger account for Cash). Discuss the need to prepare a statement to correct any errors/discrepancies existing between the two sets of records. Explain how to analyze a monthly bank/financial institution statement and the forms enclosed with the statement. Discuss the significance of outstanding cheques, cancelled cheques, deposits in transit, dishonoured cheques, bank memoranda, service charges, and errors. Use the overhead and demonstrate to the students a bank reconciliation exercise by checking and comparing a monthly bank statement against the information in the cheque book record for the business.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Emphasize the importance of a bank reconciliation statement; the procedure and format for preparing a bank reconciliation statement. Demonstrate the preparation of a reconciliation statement. Have students prepare the same reconciliation statement. Stress to the students that the reconciliation statement must show a reconciliation of the cash balance: the adjusted bank balance must agree with the adjusted cheque book balance as at the date of reconciliation. Emphasize that a bank reconciliation is an integral part of any business' overall system for the effective control of cash. Demonstrate the need to prepare journal entries for any adjustments that are required to be made to the ledger account for Cash.	
	2	Prepare an in-class activity whereby students must prepare a bank reconciliation from raw data given. Several kits are available from the chartered banks to assist with this topic. The exercises completed by the students may be used to teach bank reconciliation statements. A computer simulation may be introduced at this time. Syme introduces petty cash in conjunction with the Synoptic Journal. It is recommended that this topic be held over until Module 4 to maintain continuity of presentation within the text.	
Petty Cash	2	Discuss the purposes of the petty cash fund: - to take care of small cash payments, and - to avoid the time and the cost of making small payments by cheque. Emphasize: - the issuing of a cheque to establish the petty cash fund, and - the recording of the amount of the petty cash in the appropriate journal and in the petty cash book. Discuss and explain the format and the purpose of: - petty cash vouchers, - typical petty cash book or register, and - transferring information given on a voucher into the petty cash book. Discuss the system of using paid-out vouchers plus the total of cash on hand to verify the accuracy of the petty cash fund.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Discuss the steps required to replenish the petty cash fund: - verification of the total of the cash on hand with the total of the cash column in the petty cash book, or - verify the total of the cash on hand by subtracting the total of the paid-out vouchers from the total of the petty cash fund, and - issue a cheque to replenish the petty cash fund to its original amount, and - record the transaction of replenishing the petty cash fund in the appropriate journal. Demonstrate a step-by-step approach for setting up a petty cash fund, making payments from the fund, and replenishing the fund. Have the students prepare the same entries.	
Review and Testing	2	Review and evaluate student progress. Syme uses the summary exercise, J. ALLEN LAWSON, LAWYER as a good review of the accounting cycle from source document to post-closing trial balance. It takes approximately three hours to complete. It is strongly recommended that this be taken up at the end of Module 3 in the 3-credit Accounting 10 courses or at the beginning of Module 4 as a review of the principles taught before commencing the 3-credit Accounting 20 course. In the 5-credit accounting course, it can be assigned when it occurs in the text. Preview with the students the source documents that introduce each business transaction. Review the locating of errors in the trial balance. Remind students that the worksheet is not a permanent record and may be done in pencil. Review the balancing procedure. Review the four closing entries. Remind students that the post-closing trial balance is taken directly from the ledger accounts AFTER the closing entries have been posted. Have students verify that the capital on the post-closing trial balance equals the ending capital amount on the balance sheet.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS
		Chapter 11 of the Syme text is a very useful chapter to familiarize students with source documents. It takes approximately four hours to cover. Although this topic is not mentioned specifically in the modules, it is strongly recommended that this chapter be covered as the text makes extensive use of source documents. Source documents are first introduced in Chapter 6. They are examined thoroughly in this chapter. - Stress that in the accounting cycle, source documents are the starting point for the flow of accounting information through the accounting system and into the financial statements. - Stress that accounting departments learn of business transactions through source documents. - Point out that almost every journal entry is based on a source document. - Make students aware of other functions of source documents: . prove that the accuracy of entries is used by owners, bankers, and government auditors. - Identify the following source documents: . cash sales slip, sales invoice, dual purpose sales slip, purchase invoice, cheque copy, cash receipts list, bank advice. - Duplicate actual documents such as: . hydro bills, telephone bills, cash register tapes, credit card statements, sales invoices. - Have students identify each source document and give the accounting entry.

MODULE 4: MERCHANDISE ACCOUNTING

Status: Core
Prerequisite: Module 3

Purpose: To introduce the use of multi-column journals and ledgers as used by many small businesses.

Note: This module contains many new concepts and it is recommended that, if all the special accounts referred to below are dealt with, the introduction of the Subsidiary Ledgers not be dealt with until the use and purpose of Special Journals is firmly established.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		NOTE: Because of the different approaches of the various texts, it is recommended that the order of the textbook be followed as this will ensure continuity in the presentation of concepts and avoid fragmentation of presentation. This will not represent any loss of information. It will merely involve a reorganization in the order of the concept presentation within the module. All concepts will be covered.	Theory - 30% - case study analysis - short answer - transaction analysis
For those starting Accounting 20	5	Review basic activities in the Accounting Cycle in Modules 1, 2, and 3. Assign a project which includes the above activities.	Practical - 70% - problem solving - in-class projects Quiz: - special journals - subsidiary ledgers
Terminology	1	Define and discuss the term merchandising business. - differentiate between a merchandise and a service business, - have students identify businesses in the community and list them as merchandise or service businesses, and - identify and discuss the special accounts for a merchandising business: a. Inventory (Beginning and Ending), b. Purchases and Sales, c. Transportation-In and Delivery Expense, d. Purchases and Sales Returns and Allowances, and e. Purchases and Sales Discounts. Discuss and analyze source documents which require the recording of the special accounts discussed previously. Have the students prepare journal entries in a General Journal in order to achieve understanding of these concepts before introducing the use of the Special Journals. Chapter 13 of Syme includes the two common methods of accounting for merchandise inventory. This topic is not covered until Module 5 in the module outlines. It is recommended that the order of presentation be changed to maintain the continuity of presentation in the text. The FREIGHT-IN account is also introduced. Note that the beginning and ending inventory figures are transferred to the Income Summary account with the closing entries in this text rather than by using two adjusting entries.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Kaluza begins this module with an accounts receivable application specific to a dental office and builds applications around it. The teacher must be prepared to age trial balance accounts. This aspect is followed by the accounts payable application. It may be adviseable to follow this order of presentation and then discuss the special journal aspect after.	
Special Journals	5	Basic Principles for Special Journals: - types of special journals are determined by the scope and nature of the operations of a business enterprise, and - are needed only for the types of transactions that occur frequently. Discuss the advantages of Special Journals: - is ideal for a larger business to handle books efficiently, - permits better division of work (more than one person can work on books at the same time), - reduces number of postings, - decreases opportunities for errors, and - makes it easier to analyze and retrieve data. Prepare a transparency/chart to identify and discuss the special journals used by a typical merchandising firm. (The number and design will vary depending upon the needs of the particular business.) Decision will need to be made by the teacher as to whether to introduce and use a multi-column journal or to go directly to the special journals. Prepare a transparency to discuss the special columns used in a multi-column journal. Discuss and analyze source documents to demonstrate the journalizing of entries and the use of the special columns. Demonstrate, using a step-by-step approach, the totalling, ruling and cross-balancing of the journal when transferring totals from one page to the next or at the month end. Review procedures for proving cash and equality of debits and credits. Syme introduces RETURNS AND ALLOWANCES, CASH DISCOUNTS, and CASH REFUNDS. Cash registers are studied because they are so commonplace in the business community and students are familiar with their operation from experiences.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Kaluza describes in-depth sales taxes and discount coupons.	
Posting	3	Prepare a transparency or use the chalkboard to discuss and explain information about postings: - posting as a controlling function, - posting daily or weekly to the accounts receivable and accounts payable ledgers because of the need for current balances, and - posting monthly to accounts in the general ledger. Demonstrate and have the students post from the journal or journals.	
Subsidiary Ledgers	5	Discuss the variety of methods used for keeping customers' accounts: file cards, filing of invoices by customers, entry of data to the computer, and use of filing by number with cross-reference to alphabetic files. Identify the need for and purposes of the accounts receivable and accounts payable ledgers or an equivalent: - contains customers' accounts, - contains creditors' accounts, - provides for division of labour, - provides accounting control, and - prevents overcrowding of general ledger. With the use of an overhead transparency, demonstrate the procedure for opening the accounts in the subsidiary ledgers. Have students open accounts in ledgers. Identify need for and purpose of the schedules of accounts receivable and payable. Demonstrate the preparation of schedules from the balances of the accounts in the two subsidiary ledgers.	
General Ledger and Trial Balance for Worksheet	3	Describe why it is necessary to prove the equality of the debits and credits in the general ledger: - quick method is to take an adding machine tape of each, - prepare a trial balance on the worksheet and add the debit and credit columns to determine that the two amounts are equal, and - review methods of determining errors if items are not in balance.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Review purpose of worksheet: to sort accounts into principle account classifications, to provide the basis for making closing entries, and to calculate and prove net profit or loss.	
	3	The teacher should develop an in-class project to pull together concepts involved in journalizing in special journals and posting to general and subsidiary ledgers. Syme has two summary exercises that fit into this module and could both be assigned. They are TRAVEL TRAILERS and GREEN THUMB GARDEN CENTRE.	

MODULE 5: END-OF-YEAR ADJUSTMENTS AND EIGHT-COLUMN WORKSHEETS

Status: Core
Prerequisite: Module 4

Purpose: To prepare the worksheet including adjustments which organizes information required for the creation of financial statements at the end of the fiscal period.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Adjusting Entries	3	Kaluza treats this section involving Prepaid Expenses and Bad Debts in great detail and teachers may wish to highlight or overview this area generally as a more in-depth discussion of these entries occurs later in Module 11. Review the purposes of the six-column worksheet. Emphasize that adjustments are necessary if financial statements are to be correct. It is essential that the statements be as accurate as possible to provide information for decision-making. Identify the accounts which may require adjusting to bring them up to date: - prepaid expenses, - supplies, - inventory, and - prepaid rent*, depreciation*, and bad debts*. Note: *These items are dealt with in greater detail in Modules 7 and 8. Teachers using the Syme text need to be reminded that Chapters 19 and 20 are one unit. Certain concepts initiated in Chapter 19 are not completed until Chapter 20. All adjustments are not included in Chapter 19 but the basic ones that are covered illustrate the basic principles in making adjustments of all types. Inventory control was discussed in Chapter 13 where the adjustment for Merchandise Inventory was made with the closing entries. To teach adjusting entries, use a simplified situation and T-accounts to illustrate the process. Before recording the adjustments on the worksheet allow students to see and understand the effect of the adjustments on the worksheet. Also, allow students to see and understand the effect of the adjustments on the T-accounts.	Theory - 30% - definitions - short answer - mathematical calculations Practical - 70% - in-class project - problem solving Quizzes: - inventory - worksheet and financia documents - closing entries and post-closing trial balances
Inventory	3	Discuss the need to control the inventory of merchandise to prevent shrinkage, shortages and to account for overages. Emphasize the relationship of inventory control to the following: - calculation of cost of goods sold, - preparation of accurate financial statements, and - preparation of budgets.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Arrange a field trip to view an inventory system and/or invite a guest speaker to explain the purpose of inventory control. Determine if some of the students have helped to take periodic inventory in a store or any business where they may have been employed. Have the students present brief reports on their experiences. Acquaint the students with names and types of inventory systems: periodic and perpetual. Discuss the use of a computer-assisted system in inventory control. Discuss methods of inventory valuation. Note: Detailed calculation of this topic will be dealt with in Module 8. Kaluza uses a ten-column worksheet with the additional two columns as an Adjusted Trial Balance.	
Eight-Column Worksheet	4	Discuss the purposes of the worksheet with adjustments: - to compute adjustment to the trial balance accounts before the preparation of the financial statements, - to sort account names into the principal account classifications, - to bring all the end-of-year calculations together on one sheet of paper for the convenience of the accountant, - to provide a basis for the adjusting entries which are entered in the journal, - to provide a basis for making closing entries, and - to calculate and prove the profit/net income. Prepare a worksheet with adjustments by using an overhead transparency or the chalkboard to: - cover a specific accounting period, - identify the accounts which may have to be adjusted to show correct balances, - review/discuss the methods of computing adjustments and demonstrate the method of entering the adjustments and ruling and totalling of the adjustments columns, - emphasize the correct placement of beginning and ending inventory (the Income Summary account for the first time) in the Income Statement and the Balance Sheet columns, - review the classification of accounts, pointing out that all accounts on the worksheet may be classified as either permanent accounts or temporary owner's equity accounts, - demonstrate how the balance in each account is moved to one of the four remaining columns, - rule these four money columns with a single line,	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		- total each column and explain why the totals do not agree, - compute the net income or loss, and - complete, total, and rule the Income Statement and Balance Sheet sections. Other suggestions for introducing the eight-column worksheet: - have students complete the worksheet at their desks at the same time it is being completed on the overhead or chalkboard, and - duplicate and distribute to the students' worksheet forms with the trial balance filled in, to save class time. Then proceed as above. Use rounded numbers in the trial balance to eliminate arithmetic problems.	
Advanced Financial Statements	5	Review the preparation of financial statements. Prepare a diagram to illustrate the concept of cost of merchandise sold. Refer to the cost of merchandise sold section of an Income Statement to explain the concept. - use a variety of examples to show the effect of the beginning and closing inventory on the costs of merchandise sold. Refer to the Income Statement and Balance Sheet sections of the worksheet for information required to complete each of these statements. - demonstrate the preparation of the Income Statement, Capital Statement, and Balance Sheet using a step-by-step approach, - as the students complete the statements at their desks, have the statement being completed on the chalkboard or on an overhead transparency, - emphasize the order in which the three financial statements are prepared: a. The Income Statement--to determine the net income or net loss. b. The Capital Statement--which uses the information from the Income Statement to update the capital account. c. The Balance Sheet--uses the owner's capital as shown on the capital statement to balance the document.	
Adjusting and Closing Entries	3	Remind the students that the accounts in the ledger must have the same balances as those shown on the financial statements. Thus the necessity to prepare journal entries to make these balances agree, - refer to the adjustments columns of the worksheet for information required to prepare the adjusting entries, and - journalize and post these entries to the ledger. Have the students prepare adjusting entries as they are being completed on the board or overhead.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Review the need to close out all temporary accounts: - the net difference remaining in the Income Summary account must be transferred to the capital account, - in order to prepare the accounts for the next fiscal period. Have the students prepare closing entries to a problem as the teacher completes it on the board or overhead. Emphasize the four-step method of closing the ledger: - close the credit amounts in Income Statement to Income Summary, - close the debit amounts in Income Statement to Income Summary, - close Income Summary to Capital, and - close Drawings to Capital. Post these entries to the ledger.	
Post-Closing Trial Balance	3	Demonstrate the preparation of the post-closing trial balance from the general ledger accounts. Have the students prepare the same post-closing trial balance at their desks. Discuss the three checks which may be used to prove the accuracy of the post-closing trial balance: - the totals of the post-closing trial balance must agree, - the remaining accounts listed in the post-closing trial balance must be balance sheet accounts only, such as assets, liability and owner's equity, and - the balance of the capital account must be the same as the final owner's equity in the balance sheet.	
	5	The teacher should prepare an in-class activity giving data so that students can prepare an eight-column worksheet, adjusting and closing entries and a post-closing trial balance. Teachers using the Syme text may wish to do the summary exercise called Universal Lumber Company.	

MODULE 6: OPTIONAL ACCOUNTING TASKS

Status: Elective
Prerequisite: Module 5

Purpose: To provide an opportunity for students to integrate accounting practices through completion of a practice set, learn about payroll procedures, advanced bank reconciliation procedures, personal income tax, and/or computer applications within a business office.

Note: A minimum of two topics should be presented.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Payroll	10-15	Explain the need to organize an efficient payroll accounting system and its relationship to the overall system to control cash, and to maintain adequate payroll records as required by law. Have the students identify, through discussion: - examples of payroll systems used in the community, and - various salary/wage plans (payment by the hour, month, piece-work arrangements, and commissions). Discuss and demonstrate those forms related to Social Insurance and TD1. Have students complete these forms. Invite a speaker from the Labour Standards Branch or the Department of Labour to discuss provincial labour legislation. Discuss and emphasize the components of a payroll system. Demonstrate the computation of gross earnings. Prepare a chart of a Priority Schedule of Payroll Deductions for use in teaching payroll deductions and show: - deductions required by law, - deductions required by collective bargaining, and - voluntary deductions authorized by an employee. Have available current contribution tables for Unemployment Insurance, Canada Pension Plan, and Income Tax supplied by Revenue Canada (available from the nearest district taxation office). Have students calculate several examples of gross earnings and the deductions required to arrive at employee's net pay. Explain the three steps in recording the payroll: - preparation of a payroll summary--payroll register, - preparation of a summary regarding details of each employee's earnings--employee's individual earnings record, and - journalizing and posting the payroll to update the general ledger accounts affected by the payroll.	<u>Theory</u> - 10% - short answer questions - based more on "spot" check of numbers and dates <u>Practical</u> - 90% - in-class projects - "time on task" should be remembered when assigning marks - "hands-on" if using the computer software - demonstration of software/hardware manipulation - problem solving applications using software packages

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Present and analyze a payroll register on the chalkboard or overhead transparency. Prepare a payroll register. Have students prepare the same payroll register using a step-by-step approach. Give special attention to expenses related to unemployment insurance and the pension plan. Demonstrate and explain the procedure for proving the payroll register before payment is made to employees. Discuss and show examples of payroll register forms, one-write system payroll register, and computer payroll register. Identify and explain various methods of payment to employees: cash payment (money, currency); cheque payment; bank transfer; and transfer to payroll account. Discuss and demonstrate the entry in the cash payments journal. Demonstrate the preparation of Form PD7AR with cheque made payable to the Receiver General. Discuss and analyze the cash payment to the Receiver General of Canada. Demonstrate the journal entry to record this portion of the payroll disbursement. Discuss, demonstrate, prepare, and post journal entries for the remainder of the payroll disbursements. Have the students complete the same entries and postings. Explain Year-End Payroll Reporting: - every employer must file with the District Taxation Office a T4 Return-Statement of Remuneration Paid by the last day of February immediately following the taxation year, - emphasize that the T4 Return shows an employee's total earnings for the year and deductions from taxable income, and - explain the procedure of balancing the T4 Returns to the company payroll expenses for the calendar on a T4-T4A Summary. If time permits have students prepare a T4 return using a step-by-step approach. Discuss the disposition of the copies of the T4 Return.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Simulation	20	It is recommended that students complete an appropriate practice set that incorporates realistic documents and integrates the skills and knowledge of accounting procedures for a small business. Appropriate simulations would be: - Quadrasonics - (Gage) the complete accounting cycle is dealt with. - Village Garden Project - (Gage) a payroll project. - Allen Electronics - (McGraw-Hill). - Home Heating Company - (McGraw-Hill). - The Frazier Family - (Gage) covers accounting principles as applied to family records.	
Income Tax	10-15	Teaching Taxes, Teacher's Guide and Students' Workbooks are available from: Teaching Taxes, Information Services Branch, Revenue Canada, Taxation, 875 Heron Road, Ottawa, Ontario K1A 0L8 Or from your district taxation office. Discuss the relationship of income taxes to the cost of government services. Explain that Revenue Canada (Taxation) administers the Income Tax Act. Identify and discuss the components of a personal income tax return: sources and amount of income; deductions; taxable income; and tax payable. List and discuss the basic steps for filing an income tax return. Demonstrate the preparation of a personal income tax return. Have the students prepare personal income tax returns based on the problems provided in the Student's Workbook. Films and filmstrips listed in the Teaching Taxes manual are available from the National Film Board local office. Teachers may wish to integrate a software package on income tax for students. (i.e., Herb Zimmer - Quick and Easy Computer tax program.)	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Advanced Bank Reconciliation	5	Review terms and procedures from previous presentation in Module 3. Identify and discuss other items which may have to be considered in preparing a bank reconciliation: - interest on bank loans, - debit memos related to other charges, - credit memos, - bank errors, and - errors in the cheque stub balance. Prepare small kits which include: cancelled cheques, bank memos, and bank statements. Discuss and demonstrate journal entries required to make appropriate adjustments to accounts once the Reconciliation statement has been prepared. Refer to advanced accounting texts for exercises.	
Computer Application	10-15	Discuss the potential of the computer as an aid in data processing, and in its use in data processing systems related to the accounting cycle. Identify, explain and diagram the four phases of a data processing system by the use of a flowchart. Explain and discuss people involvement: - before data can be processed (data arises from source documents), and - in the preparation of computer programs to instruct the computer to carry out the functions of reading and manipulation of accounting data and the generation of accounting information and reports. Discuss and show illustrations of input devices and related input media. Use transparencies, slides, and filmstrips (see attached resources list). Arrange a field trip or invite guest speaker. Discuss the preparation and use of software packages for accounting functions in large and small businesses. Give students an opportunity to have a hands-on experience with computer software which is similar to that used in business offices. Note: For software available for this module see Learning Resources section.	

MODULE 7: VOUCHER SYSTEM AND END-OF-YEAR ADJUSTMENTS

Status: Elective
Prerequisite: Module 5

Purpose: To apply an accounting system that plays a key role in establishing and maintaining effective internal control and expand knowledge of the adjustments needed for preparation of accurate financial records.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Review for those starting Accounting 30	8	Review activities in the Accounting Cycle in Modules 1 to 5 by assigning exercises related to the Accounting Cycle. Assign a project which includes all of the above activities. Teachers must supplement the Budget area if using the Syme text.	Theory - 30% - short answer - case study analysis - paragraph Practical - 70% - in-class project - hands-on computer with software application Quizzes: - voucher system - budgeting - comparative statements
Voucher	1	Discuss the use of the voucher system in accounting as a security and control system and as a system for recording cash transactions. Explain the reasons for using vouchers instead of the traditional journals in book form. Emphasize that businesses use a number of different forms of vouchers to serve particular needs. Prepare a bulletin board display of vouchers or use illustrations of vouchers to serve particular needs. Study the format of the voucher, demonstrate the preparation of vouchers, and have students prepare vouchers.	
Voucher Register System	3	Point out that voucher registers vary from accounting systems in the private and public sectors. Provide examples of voucher registers from textbooks or from businesses. Demonstrate the recording of information from vouchers to the voucher register.	
Cheque Register	1	Identify and discuss the purposes of a cheque register. Discuss and flowchart the procedure for preparing voucher cheques and recording the cheques in the cheque register. Explain the controlling features used in recording cheques in the cheque register.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Demonstrate the totalling and ruling of the voucher and cheque registers. Emphasize the need to prepare the proofs for the voucher register and the cheque register before posting the totals to the general ledger accounts. Discuss and demonstrate the posting of the column totals to the general ledger accounts.	
Voucher Schedule		Explain and demonstrate the preparation of the schedule of vouchers payable. Have the students discuss the voucher system and prepare lists of advantages and disadvantages of the system. Explain the special procedures in a voucher system as they apply to the following: petty cash transactions; purchases returns and allowances; partial payments; correction of errors; bank charges; and payroll. Use T-account forms to illustrate these special procedures. A teacher may prefer using a spreadsheet software package cheque register and have students design headings for the voucher register and cheque register and complete problems associated to this area.	
Budgeting	5	Explain the role of budgeting in accounting records. Refer to familiar instances of budget use: student organizations (council); school system; family; and local government. Emphasize the importance of each of these groups knowing how much revenue to anticipate and what expenditures can be made from the anticipated revenue. Indicate that a change in one item in the budget will affect another item in the budget. Identify and discuss the two broad categories of budgets: - long-range budgets (capital budgets), and - short-range budgets (master budget). Identify and discuss the two types of annual budgets: - budgeted income statement, and - cash budget (cash flow statement).	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Comparative Income Statements		List and discuss the following steps for preparing the budgets: - selecting a time period, - determining type(s) of budgets to prepare, - identifying the sources of data for preparing budgets, and - using past records in obtaining data for budgets. Discuss sources of information for budget preparation: company records; general economic information; consultation with managers and staff; good judgment; competition; business cycles; laws, and customs. Discuss the formats used for developing and preparing budgets. The teacher may wish students to prepare documents on a computerized spreadsheet so that analysis can take place as well as forecasting. Have the students study budgets and compare the statement budgeted amounts with actual operating amounts. Emphasize a simplified approach for budget preparation. Demonstrate the preparation of budgets by using simple examples: budget for a school basketball team or school club. Have students prepare similar budgets, personal budgets, or budgets from case studies. Proceed to the preparation of simple business budgets: sales budget; purchases budget; expense budget. Using the budgeted income statement, prepare a cash budget. Study comparative budgets to analyze results of financial operations and to recommend changes in planning future budgets.	
Eight-Column Worksheet	4	Explain, review and discuss, using practical examples and chalkboard illustrations, the need for recording accruals to bring revenue and expense accounts up to date. Analyze examples of accrued revenue and expenses by using T-accounts. Demonstrate the recording of adjusting entries and the posting of these entries. Have the students record and post adjusting entries. Discuss, explain, and illustrate the reporting of accrued revenue and accrued expense items on an income statement and a balance sheet.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Closing Entries	3	Review the mechanics for the recording of the closing entries in the general journal. Have the students record and post the closing entries. The teacher may wish students to complete problems involving eight-column worksheets on a computer spreadsheet. Discuss and explain which adjusting entries are to be reversed and when reversing entries should be made. The time for making reversing entries is the first day of the new accounting period. Demonstrate the recording and posting of reversing entries and have the students record and post the same entries. Review and testing would be appropriate at the end of this section to tie concepts together.	

MODULE 8: DEPARTMENTALIZED ACCOUNTING TASKS

Status: Elective
Prerequisite: Module 5

Purpose: To record transactions in special journals and prepare departmental statements.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Special Business	5	Discuss why businesses might organize their merchandise activities and their accounting records by departments for management efficiency. Discuss and elaborate on other businesses which would require a breakdown of information, e.g., manufacturing, farming, petro-chemical. Refer to Module 10 for a Cost Accounting system for these businesses. Review from Module 4 the use of special journals. Provide a series of exercises which will require the students to analyze and determine which special journals would be suited to record specific transactions. A review of posting of these transactions would be advisable. Discuss scope and nature of specialized accounting responsibilities in regard to departmentalized accounting, and the manner in which these might be assigned: - the use of several individuals in different locations, - the use of the computer in a central location or a microcomputer in each department, - control measures which would be required, and - gathering of information at specific times.	Theory - 30% - mathematical calculation - paragraph - short answer Practical - 70% - problem solving - hands-on computer software manipulation - in-class project quizzes: - inventory - payroll
Calculating Inventory	5	Review from Module 5 the need to control inventory and the methods of achieving this. Explain and define the periodic inventory and the perpetual inventory. Discuss various examples of business forms used in inventory systems. Have students discuss their experiences with the rest of the class in their use of inventory systems. Define and discuss, with illustrations, the principles of inventory valuation: - inventory-at-cost principle, and - pricing at lower of cost or market. Discuss and illustrate valuation methods on: - First-In, First-Out Basis (FIFO), and - Last-In, First-Out Basis (LIFO).	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Have students calculate and compare the methods of valuation. Point out that the method of valuation chosen by a business will depend upon the following: - products in which it deals, - price fluctuations of the products, - the valuation method used by similar businesses, and - the rules or customs expected by governments. Have students extend an inventory list. Discuss the advantages and disadvantages involving different principles of inventory valuation.	
Interim Departmental Statements	3	Identify and explain the principles followed when reporting inventories on financial statements: - the inventory valuation method selected should be used from year to year and should be disclosed on the financial statements, and - any change in the inventory valuation method should be noted and its effect on income reported in the financial statements. Present examples of financial statements to illustrate these principles. These can be obtained by phoning various companies and requesting Annual Reports. Discuss and illustrate the preparation of an interim departmental statement of gross profit; interim statements are required to provide comparisons between departments; and an important function is to provide a motivation for sales.	
Payroll	5	Review, if appropriate, the preparation of a payroll. If this concept is being introduced for the first time, refer to teaching suggestions presented in Module 6. Discuss the importance of allocating the appropriate payroll expenses to the correct department. Illustrate the use of a payroll register which provides for this allocation by analyzing payroll transactions. Have the students make entries in a payroll register. Have students prepare a payroll register on a computerized spreadsheet.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Financial Statements	7	A review of the preparation of an eight-column worksheet and preparation of end-of-fiscal period financial statements would be appropriate if this is to be the final module in Accounting 20. A detailed explanation for the method of using the totals from the Interim Departmental Statement of Gross Profit for the worksheet should be made.	
Adjusting, Closing, and Reversing Entries		Discussion and illustration of adjusting, closing and reversing entries should be followed by having the students prepare the same entries in readiness for completion of a project at the end of Accounting 20.	

MODULE 9: PARTNERSHIP AND CORPORATION ACCOUNTING

Status: Elective
Prerequisite: Module 5

Purpose: To study the essential differences in the recording of financial data for partnerships and corporations.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Terminology		Accounting terms should be refined and discussed as they are outlined in each chapter.	Theory - 30% - paragraph - short answer - multiple choice - case studies
Partnership	4	Have students identify partnership businesses in the local community. Encourage students to develop a definition of the term partnership. Contact a partnership in the local community. Invite one of the partners to visit the class to explain why the business is organized as a partnership. Discuss the need for and the purpose of a partnership agreement. Identify the statute, the Partnership Act, as regulating partnerships in Alberta. Explain the relationship between the legal and the financial aspects of the partnership (a written agreement that sets forth the various conditions under which a partnership is to operate). Explain the advantages and disadvantages of a partnership. If possible, have the students examine some actual partnership agreements to determine the advantages and disadvantages. Discuss the legal implications if a formal partnership agreement has not been entered into between the partners.	Practical - 70% - in-class projects - hands-on computer software manipulation quizzes: - partnership - journal entries - corporation - financial document
Journalize	5	Discuss the relationship of the partnership agreement to the opening journal entry for the formation of a partnership. Discuss how to determine the amount which would be recorded for the investment of each partner depending upon the agreement between the partners. A separate entry is made to record the investment of each partner. A separate capital account is kept for each partner. Demonstrate the preparation of the opening entry of a partnership and have the students prepare the same entry.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Explain the concept of Goodwill. Indicate that it is an intangible asset and has had a value reflected towards it for superior service performed, reputation, good store location, and sound management. Explain, or have the students discover, through comparison, that the accounting work for a partnership is the same as for a sole proprietorship.	
Adjusting and Closing Entries Financial Statements		Demonstrate the preparation of, and have the students prepare: worksheets, schedules of partners' equity, income statements, and balance sheets.	
Liquidation	4	Discuss and demonstrate the journal entries required for changes in partners, e.g., a new partner joining an existing partnership. Discuss the reasons for a partnership being terminated: - withdrawal of a partner from the business, - termination of the partnership agreement, - death of one of the partners, and - failure or bankruptcy of the business. Procedures to be followed when a business is liquidated should be listed. Stress that the remaining cash must equal the capitals paid out to the partners. Accounting procedures to be followed can be found in Gage and McGraw-Hill Advanced texts and in Chapter 11 of Syme. Have students prepare entries on a partnership, using a computerized spreadsheet.	
Corporation	2	Discuss the definition of a corporation. Have the students prepare a list of corporations in the local community. Discuss the types of corporations: private corporations, public corporations, Crown corporations. Have students list some examples of these corporations found provincially/federally. Diagram and explain a typical organizational chart for a corporation. Discuss the need for and the purpose of the legal requirements necessary to form a corporation. Explain that businesses in Canada may be incorporated under either provincial or federal legislation. Explain the purpose of the articles of incorporation and the certificate of incorporation.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Explain the advantages and disadvantages of a corporation. Discuss debt and equity financing of corporations. Refer to advertisements in newspapers about bond and share issues by corporations. Point out that the articles of incorporation indicate the kind and the total amount of capital stock that may be issued by a corporation. Discuss par value, non par value stock and the following classes of shares: common shares, preferred shares, and share certificates.	
Journalize	3	Use T-accounts to analyze transactions for equity financing. Demonstrate and have the students do the preparation and posting of journal entries. Explain the procedure for allocating corporate earnings to share capital and retained earnings. Explain that the income of a corporation determined for income tax purposes is the difference between total revenue and total expenses. It should be noted that corporate tax rates are different from personal tax rates.	
Adjusting Entries		Define and discuss retained earnings. Demonstrate the preparation of journal entries to record retained earnings; have the students prepare entries to record retained earnings and other adjustments. Define and discuss dividends of a corporation. Demonstrate the preparation of the journal entries for the distribution of dividends. Gather available samples of current annual financial reports issued by Canadian Corporations. Have the students study and discuss the statements.	
Financial Statements	5	Demonstrate the preparation of financial statements, and have the students prepare financial statements for corporations.	
Closing Entries	2	Demonstrate the preparation of closing entries. Have students prepare a worksheet and financial documents on the computerized spreadsheet.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Propose to the students that a small corporation be set up for the purpose of making investments. Demonstrate the preparation of a Prospectus and offer the shares for sale. Issue Share Certificates and make some investments. Have the students follow the changes in the investments by referring them to the financial pages of a newspaper. Plan to complete the project before the course ends so that the winding down of the company and the payout to the shareholders can take place. Have the students analyze the success of the project.	

MODULE 10: COST ACCOUNTING

Status: Elective
Prerequisite: Module 5

Purpose: To examine the essential elements of cost accounting, labour, materials and factory overhead, in order to determine production costs in a manufacturing firm.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Cost Accounting	10	This topic was first introduced in Module 8 under "Interim Departmental Statements" for a merchandising business. The student should understand the purpose of cost accounting, in order to record transactions relative to a manufacturing company in the voucher system in Module 7. If this optional module has not been presented, more time will have to be spent explaining the use of the voucher register. The teacher may wish to substitute special journals for the voucher register.	Theory - 30% - short answer - paragraph - multiple choice - case studies Practical - 70% Quizzes: - cost sheets - financial documents - journal entries
Terminology, Manufacturing Costs	1	Define accounting terms relevant to cost accounting. Discuss the need for measuring the costs of producing goods. Explain the difference between a merchandising business and a manufacturing business. Identify the following components of manufacturing costs: - direct materials, - direct labour, - factory overhead. Discuss and describe the elements of manufacturing costs. Use a step-by-step approach to prepare a materials ledger.	
Cost Sheet	3	Use a step-by-step approach to prepare a cost sheet. Drill students on calculations. Use practical examples from different types of manufacturing businesses. Identify and discuss the following categories of factory overhead: - indirect materials, - indirect labour, - other factory overhead.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Use a step-by-step approach to have students prepare a flowchart to demonstrate the flow of elements through the manufacturing cycle from raw (direct) materials, through goods in process, to finished goods. Identify and explain the two systems of costing: - job order system, - process cost system. Identify and discuss cost finding and cost control. Point out that overhead costs are based on a percent rate on direct cost in the departments involved in the manufacturing process.	
Journal Entries	4	Use T-accounts to explain the journal entries required to match the cost flow with the work flow. Discuss over-applied overhead and under-applied overhead. Demonstrate the preparation and the posting of the journal entries associated with: a) materials purchased, b) materials requisitions, c) actual overhead expenses, d) applied overhead, e) closing factory overhead, f) finish goods transfer, and g) adjusting finish goods. Have students prepare and post these journal entries. Explain that a manufacturing business has three inventories to account for in preparing financial reports: - raw materials, - work in process, - finished goods. Explain with the use of an overhead transparency the statement of cost of goods manufactured.	
Financial Documents	7	Demonstrate the preparation of trial balances, statements of costs of goods manufactured, income statements, and balance sheets related to a manufacturing business. Teachers may wish to use a computerized spreadsheet to prepare entries and documents. Use a step-by-step approach with students to prepare statements.	

MODULE 11: FINANCIAL ANALYSIS

Status: Elective
Prerequisite: Module 5

Purpose: To examine some of the fundamental tools of analysis and to appraise the impact each has on the company's successful performance.

Note: It should be noted that this module has a great deal of theory and practical application of material. A teacher may wish to take into consideration student interests in pursuing topics, and perhaps be flexible in time allotment and in-depth analysis.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Terminology		Accounting terms should be defined and discussed as they are outlined in each chapter.	Theory - 30% - mathematical calculations - short answer - multiple choice - case study analysis - report on corporation Practical - 70% - in-class project - "hands-on" computer software manipulation Quizzes: - bad debts - depreciation - accruals - ratio analysis - workshop capital
Bad Debts	3	Discuss the granting of credit and the investigation of a credit rating before granting credit to a customer. Discuss the problems related to collecting accounts and the necessity to make some provisions in the accounting records for actual or projected uncollectible accounts. Indicate that past records are examined and that the two most commonly used methods of estimating bad debts are: 1) percentage of all charge sales, and 2) percentage of accounts receivable, at the end of a fiscal period. Explain the different methods which might be used to record uncollectible accounts: - direct write-off method, - allowance method. Analyze a variety of methods of estimating the expense when using the allowance method, including the aging of accounts receivable. Describe the schedule of accounts receivable by age and have students prepare this document from data. Demonstrate the recording of the journal entries and the versatility of special journals in adapting columns to the needs of different businesses and different accounting systems. Have the students prepare journal entries using a variety of exercises and problems relative to the writing off of an uncollectible account. Demonstrate the journal entries required to provide for the collection of uncollectible accounts previously written off. Calculate and explain the meaning of an accounts receivable turnover.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Invite a speaker from a local credit bureau to talk about the problems that arise for an individual who fails to pay amounts owed to businesses, and the problems created for the businesses as well.	
Depreciation	4	Explain the term depreciation using practical examples. Discuss the need to record the actual expense related to the decrease in the value of the assets to provide as accurate a picture as possible in the financial statements. Provide the students with exercises which will give them practice in accurately calculating depreciation expense. Explain various methods of calculating depreciation and the advantages and disadvantages of each. Discuss that businesses keep a record of each fixed asset owned in order to calculate the book value at disposition. Indicate with the use of an overhead transparency a fixed assets register and how adjusting entries and disposition of fixed assets are recorded in the register and general journal. Demonstrate the journal entries required to record the depreciation expense. Introduce the concept of the control account--Accumulated Depreciation. Demonstrate journal entries required to record the acquisition and disposal of fixed assets. Reference should be made to fixed assets with a book value and no book value. Discuss the calculation of a depletion expense and how it differs from depreciation expense. Have the students prepare journal entries and post to appropriate accounts. Explain the term capital cost allowance as a method of calculating depreciation for income tax purposes. Point out that the declining-balance method of calculating depreciation is called "capital cost allowance" for income tax purposes.	
Accruals	2	Review the method of accounting in which revenue is recorded when earned and expenses are recorded when incurred. Have the students provide examples of these as well as examples of accrued expenses and revenue.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Discuss the need to have financial statements reflect as accurately as possible the financial position of a business, and therefore, the need to make adjustments to the appropriate accounts. Demonstrate the preparation of the adjusting entries. Have the students prepare and post the adjusting entries. Review procedures for closing entries required for temporary accounts. Discuss the preparation of reversing entries at the start of the next fiscal period.	
Cost Revenue	4	Discuss the importance of the use of accounting information for management decisions. Elaborate on the possibilities of identifying the strengths and weaknesses of a company by analyzing sales and cost data. Define income determined by subtracting all related variable costs from sales revenue as contribution margin. Discuss the importance of the break-even point and demonstrate methods of calculating this figure. Explain the advantages and disadvantages of variable costing. Have the students prepare an analysis of cost revenue figures from a variety of sets of information. The teacher may wish to demonstrate and have students use computer software and prepare graphs relating to cost revenue for decision-making.	
Financial Statements	2	Explain that a corporate financial report outlines the financial status of a corporation for various groups of people: management, creditors, investors, and government. Have the students study comparative financial statements to determine the changes in a firm's financial position. Have students discuss the possible reasons for the changes. Demonstrate the preparation of, and have students prepare, comparative financial statements. Teachers may wish students to use a spreadsheet to prepare these financial statements.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
atio Analysis	3	Explain that readers of financial statements are interested in the past and current activities of a business as well as in future projected performance. Discuss and demonstrate the calculations related to trend analysis, percentage analysis, and ratio analysis. Have the students calculate these types of analyses and urge them to make use of these figures to prepare a report for presentation at the annual meeting of the business.	
Forecasting	3	Discuss the different types of presentations which might be made to creditors and to investors, and the different types of analyses which would be used: - for short-tera credit use (1) current ratio, (2) quick or acid-test ratio, (3) inventory turnover, (4) accounts receivable turnover, - for long-term credit use (1) debt ratio, - for investor (1) ratio of profit to sales, (2) return on invested capital, (3) earnings per share, (4) price-earnings ratio. From annual reports of large corporations have students calculate the ratios discussed and prepare a forecast on a major corporation for presentation to potential investors.	
Working Capital	4	Discuss the importance of preparing statements which show the cash-flow of a business. This statement would show the sources, uses, and the resulting increase or decrease in funds. Discuss the financial problems which result when a business has a shortage of working capital. Explain the term working capital as the excess of a business's total current assets over its total current liabilities. Demonstrate the preparation of a schedule of changes in working capital which is made up of sources of working capital funds and uses of working capital funds. Explain the difference between sources and uses of funds in normal operations, and those funds provided from other sources and funds required for other items. Demonstrate the preparation of a worksheet for analyzing and identifying transactions which use working capital. An analysis of current and non-current accounts must take place.	

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
		Have the students discuss and prepare a report for management which would include recommendations in regard to: credit arrangements which might need to be made; the delay in expenditures for fixed assets; or so that expansion of facilities might proceed. Have students complete the financial documents, percentage of sales, and ratio analysis using an electronic spreadsheet. The Syme textbook had an in-depth coverage of Bad Debts, Depreciation, and Accruals in Module 5, but a review should be made of these concepts. The Cost Revenue is not covered in this text and must be supplemented by other resources.	

MODULE 12: ACCOUNTING SIMULATION I

Status: Elective
Prerequisite: Module 5

Purpose: To provide students with the realistic experience of an accounting cycle wherein they develop and integrate their accounting skills.

Note: A computer simulation or manual project incorporating any or all of the accounting concepts may be used. The teacher may use this simulation as a 25-hour project given in class towards the end of the semester, or a teacher may wish to alternate accounting theory from the textbook or external sources related to specific parts of the project and spread this simulation over a longer time period.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Simulation	25	Simulations are planned to be used at convenient intervals at the choice of the teacher in discussions, where possible, with students to provide a review of units and a chance to tie together various principles of accounting. Business simulations with source documents provide students with an opportunity to experience a realistic work situation. Simulations are available for a variety of business organizations. It is suggested that these simulations be completed by the students in class under the supervision of the teacher. See Learning Resources section for a list of available simulations. The teacher should review the project and emphasize the expectations of students. Reference to a mock office environment may be made. Various checks should be performed on student work by the teacher, taking the form of answering specific questions to totals from journals, balances in various ledger accounts, and total proofs of debits and credits on a specific date, to name a few. It is imperative that evaluation criteria be written down and shared with students using "time on task" activities equated to the heavier mark weighting.	Theory - 10% - short answer - fill-in blanks Practical - 90% - "time on task" should be the theme for assigning marks to various sections

MODULE 13: ACCOUNTING SIMULATION II: COMPUTERIZED ACCOUNTING

Status: Elective
Prerequisite: Module 5

Purpose: To provide an opportunity to simulate actual business activities through the use of computer technology.

Notes: Access to suitable hardware and software is required to support such accounting activities as preparing budget estimates and comparative analysis. Recommend use of electronic spreadsheets, general ledger, payroll, and inventory software.

Depending upon the student interests and ability, teachers may wish to use the computerized software and integrate this into various exercises within modules. Alternatively, teachers can prepare an in-class activity incorporating exercises with theory and practical application previously covered. The use of more than one software package may be desirable, if available.

TOPIC	TIME HOURS	TEACHING SUGGESTIONS	EVALUATION
Hardware and Software	25	See Learning Resources section for a list of available simulations. With the students, review hardware components and how each works in effectively running software. Explain the purpose behind using the software and how it can be used within business. Identify, illustrate, explain and demonstrate specific operational commands of the software. Use of overhead transparencies, TV monitor and written handouts are recommended. Observe student operation, command familiarity and application fluency. Prepare individual exercises or in-class projects to incorporate accounting theory.	Theory - 25% - fill-in blanks - multiple choice - matching - short answer - paragraph Practical - 75% - demonstration of software/hardware manipulation - problem solving and application using computer software

LEARNING RESOURCES

A number of the learning resources listed in this section have not been evaluated by Alberta Education for tolerance and understanding. Their listing is not to be construed as explicit or implicit departmental approval for use. These titles are provided as a service only to assist teachers to identify potentially useful support materials for the topics. The responsibility to evaluate these resources prior to use with students rests with the local jurisdiction. The resources designated as BASIC and RECOMMENDED (starred) have Alberta Education evaluation criteria.

Approved Texts

Kaluza, Henry J. Accounting: A Systems Approach. (Modules 1-6) 2nd ed. Toronto, Ontario: McGraw-Hill Ryerson Ltd., 1985.

Working Papers and Study Guide Part I, Chapters 1-6.
Working Papers and Study Guide Part II, Chapters 7-10.
Working Papers and Study Guide Part III, Chapters 11-18.
Teacher's Resource Book and Key Part I.
Teacher's Resource Book and Key Part II.

Kaluza, Henry J., and Leonard, W.G. Elements of Accounting: A Senior Course. 2nd ed. Toronto, Ontario: McGraw-Hill Ryerson Ltd., 1979.

Teacher's Resource Book and Key.
Working Papers 1 (Modules 7, 8 and 11).
Working Papers 2 (Modules 7-11).

Landry, Pauline, et al. Century 21 Accounting: Advanced Course (Modules 7-11) Canadian ed. 1978.

Teacher's Reference Guide.
Working Papers and Study Guides, Chapters 1-14.
Working Papers and Study Guides, Chapters 15-28.
Working Papers and Study Guides, Chapters 1-28.

Pansegrau, Gary E., et al. Century 21 Accounting. (Modules 1-6) Canadian ed. 1978.

Teacher's Reference Guide.
Working Papers and Study Guides, Accounting 10 (Modules 1-3).
Working Papers and Study Guides, Accounting 20 (Modules 4-6).
Teacher's Edition for Working Papers and Study Guides, Accounting 10, Chapters 1-22.
Teacher's Edition for Working Papers and Study Guides, Accounting 20, Chapters 23-33.

Syme, G.E. Accounting 1. (Modules 1-11) 3rd ed. Scarborough, Ontario: Prentice Hall of Canada Inc., 1982.

Workbook A, Chapters 1-15.
Workbook B, Chapters 16-24.
Teacher's Guide.
Teacher' Key A, Chapters 1-15.
Teacher's Key B, Chapters 16-24.

Allen Electronic Service: Accounting Application for a Service Business. (Introduction) Toronto, Ontario: McGraw-Hill Ryerson Ltd., 1974.

Teacher's Key.

New Horizons Select Camping Gear: A Business Simulation. (Advanced) Agincourt, Ontario: Gage Publishing, 1978.

Teacher's Key.

Allen, Warren, W., and Klooster, Dale H. Automated Accounting for the Microcomputer. Agincourt, Ontario: Gage Publishing, 1982.

APPLE
IBM
Student Book (for use with APPLE and IBM Versions), 1985.
Teacher's Manual (for use with APPLE and IBM Versions), 1985.

Custom Auto Centre: A Business Simulation. (Advanced) Agincourt, Ontario: Gage Publishing, 1980.

Teacher's Key.

Envirotrol Corporation, A Business Simulation. (Advanced) Agincourt, Ontario: Gage Publishing, 1978.

Teacher's Key.

Quadrasonics Sound Equipment: A Business Simulation. (Intermediate) Agincourt, Ontario: Gage Publishing, 1978.

Teacher's Key.

Sounds Abound: An Accounting Simulation - APPLE - Houghton Mifflin, 1984.

Sounds Abound: An Accounting Simulation for the Microcomputer & Manual Application - IBM - Houghton Mifflin.

Student Text/Workbook (for use with APPLE & IBM Versions).
Teacher's Manual (for use with APPLE & IBM Versions).

Warranty, Sounds Abound: An Accounting Simulation for the Microcomputer & Manual Application - APPLE - 30 Days.

Warranty, Sounds Abound: An Accounting Simulation for the Microcomputer & Manual Application - IBM - 30 Days.

General References

Boynton, Lewis D. Methods of Teaching Bookkeeping and Accounting. 2nd ed. Agincourt, Ontario: Gage Publishing Ltd., 1970.

D'Amico, Victor L., and Obonsawin, Maurice B. Basic Accounting. Toronto, Ontario: Copp Clark Pitman Ltd., 1978.

Finney and Miller. Principles of Accounting. Introductory. 7th Canadian ed. Toronto, Ontario: Prentice Hall of Canada Inc., 1972.

Leonard, William G. Canadian Accountant's Handbook. 3rd ed. Toronto, Ontario: McGraw-Hill Ryerson Ltd., 1978.

Meigs, Walter B., et al. Accounting: The Basis for Business Decisions. Rev. Canadian ed. Toronto, Ontario: McGraw-Hill Ryerson Ltd., 1976.

Periodicals

Business Education Forum. National Business Education Association, 1906 Association Drive, Reston, Virginia 22091, U.S.A.

Contact. Gage Educational Publishing Ltd., 164 Commander Blvd., Agincourt, Ontario, M1S 3C7.

Financial Post. McLean-Hunter Ltd., 481 University Ave., Toronto, Ontario, M4W 2Y8.

Related Professional Organizations

Certified General Accountants' Association of Alberta

Suite 580, First Edmonton Place
10665 Jasper Avenue
Edmonton, Alberta
T5J 3S9 Phone: 428-0689

223 - 14 Street, N.W.
Calgary, Alberta
T2N 1Z6 Phone: 283-6620

Institute of Chartered Accountants of Alberta

Suite 901, Toronto Dominion Tower
Edmonton Centre
Edmonton, Alberta
T5J 2Z1 Phone: 424-7391

The Society of Management Accountants of Alberta

300 Transcanada Pipelines Tower
530 Eighth Avenue S.W.
Calgary, Alberta
T2P 3S8 Phone: 332-1106

Other Computerized Accounting Resources

Addison-Wesley, BPI General Accounting. Don Mills, Ontario: Addison-Wesley Publishers, 1982.

CBM 8032 Student Edition (16863-4).
CBM 8032 Instructor's Key (1684-2).
CBM 8053 Formatted Data Disk (1685-2).

Baker. New Horizons for Computer. Agincourt, Ontario: Gage Publishing, 1984.

Text-Workbook Simulation (B225PC).
Teacher's Key.

Prentice-Hall/Chambers. Easy Business Systems. Toronto, Ontario: Prentice Hall of Canada Inc., 1985.

Tutorial Workbook (45228-4).
Teacher's Pack (45229-2).
Double-sided Diskette.

Prentice-Hall/Chambers. The Profit Center. Toronto, Ontario: Prentice Hall of Canada Inc., 1985.

Tutorial Workbook (45257-3).
Teacher's Pack (45258-1).
Two Double-sided Diskettes.

Minnesota Educational Computing Consortium, Business Volume 1, Business Volume 2, Business Volume 3. St. Paul, Minn.: MECC., 1981.

Pillsbury, Ripperger, Microcomputer Oriented Accounting: A CAI Approach. Agincourt, Ontario.

Teacher's Manual for B355.
Text-Workbook (B355).
Diskettes (B355M).

D'Amico, Victor and Wilson, Robert. Applied Accounting Software. Toronto, Ontario: Copp Clark Pitman Ltd., 1985.

Accounts Receivable, CBM4040 Version.
Accounts Receivable, CBM8050 Version.

Philips, Sheldon, and King, Brian. General Accounting System. Toronto, Ontario: Copp Clark Pitman Ltd., 1985.

GLAS: for VisiCalc
-Text (830426).
-Disk (830425).

GLAS: for SuperCalc
-Text (830424).
-Disk (830422).

Payroll for VisiCalc
-Text (830430).
-Disk (830431).

Payroll for SuperCalc
-Text (830428).
-Disk (830429).

Manual Simulation Resources

Gage Publishing, Agincourt, Ontario, is the supplier for the following:

Quadrasonics (B215C)
-Source documents and books of account.

Village Garden Centre (B245C)
-Pegboard Payroll System.

The Frazier Family (B246)
-A family finance simulation.

Professions Accounting (B247).
-Three professions.

The Hudson Farm (B248)
-Accounting applied to farm records.

New Horizons (B225C)
-Proprietorship specializing in retail and using a cash register system.

Envirotrol (B235C)
-A corporation is a wholesale and retail distributor.

Modules	Introductory Cent. 21 Acct. Pansegrau Gage	Advanced Cent. 21 Acct. Landry Gage	Acct. A Systems Appr. Kaluza McGraw-Hill	Advanced El. of Acct. Kaluza McGraw-Hill	Accounting 1 Third Edition Syme Prentice-Hall
	Chapters	Chapters	Chapters	Chapters	Chapters
9		4-6 15-17		10,11	21,22
10		18-20		8	
11		21-23 26-28		12	19,23
12	Accounting Project(s) (Manual or Computer) Simulating Business Procedures				
13	Computer-Supported Accounting Project(s) Simulating Business Procedures				

CORRELATION OF COURSE CONTENT WITH LEARNING RESOURCES

Accounting Subject Strand

Modules	Introductory Cent. 21 Acct. Pansegrau Gage	Advanced Cent. 21 Acct. Landry Gage	Acct. A Systems Appr. Kaluza McGraw-Hill	Advanced El. of Acct. Kaluza McGraw-Hill	Accounting 1 Third Edition Syme Prentice-Hall
	Chapters	Chapters	Chapters	Chapters	Chapters
1	1-5		1-3		1,3,4,5,6,7,8
2	6 - Project 1		4		5,6,7,9
3	10 - Project 2 + Ch. 14 + 25		5,6,9		10,2,14,1,11 + Summary Exer. J.Allen Lawson
4	12,13,23,24 Project 3		7,8,11,12,13		12,13,14,15,16
5	15,16,17		15,16		19,20
6	21,22 + Quadrasonics		10,14 + Quadrasonics		18
7		2,3, + Proj. 1 11 + 25		2,6,9	17, 24.5
8		7 + Project 2		3,4,7	